

MARAIS DES CYGNES PUBLIC UTILITY AUTHORITY

**FINANCIAL STATEMENT
AND
INDEPENDENT AUDITOR'S REPORT**

December 31, 2015

Marais Des Cygnes Public Utility Authority

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December 31, 2015

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INDEPENDENT AUDITOR'S REPORT

Marais Des Cygnes Public Utility Authority
Paola, Kansas

Report on Financial statement

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Marais Des Cygnes Public Utility Authority (the municipality) as of and for the year ended December 31, 2015 and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note C to meet the financial reporting requirements of the State of Kansas; this includes determining that the regulatory basis of accounting is acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinions

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note C of the financial statement, the financial statement is prepared by the Marais Des Cygnes Public Utility Authority to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note C and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis of Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Marais Des Cygnes Public Utility Authority as of December 31, 2015, or changes in financial position and cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the Marais des Cygnes Public Utility Authority as of December 31, 2015, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note C.

Other Matters

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditure-actual and budget, and individual fund schedules of regulatory basis receipts and expenditures-actual and budget (Schedules 1, and 2 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note C.

Prior Year Comparative

The 2014 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget (Schedule 2 as listed in the table of contents) is also presented for comparative analysis and is not a required part of the 2015 basic financial statement upon which we have rendered an unmodified opinion dated June 8, 2016. The 2014 basic financial statement and our accompanying report are not presented herein, but available in electronic form from the web site of the Kansas Department of Administration at the following link <http://da.ks.gov/ar/muniserv/>. Such 2014 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2014 basic financial statement. The 2014 comparative information was subjected to the auditing procedures applied in the audit of the 2014 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2014 basic financial statement or to the basic financial statements itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2014 comparative information is fairly stated in all material respects in relation to the 2014 basic financial statement as a whole, on the basis of accounting described in Note C.

Agler & Gaeddert, Chartered

Agler & Gaeddert, Chartered
June 8, 2016

Marais des Cygnes Public Utility Authority

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS
For the year ended December 31, 2015**

<u>Fund</u>	<u>Beginning Unencumbered Cash Balance</u>	<u>Prior Year Cancelled Encumbrances</u>	<u>Receipts</u>
Special Purpose Funds			
Bond proceeds	\$ <u>0</u>	\$ <u>0</u>	\$ <u>15,380,000</u>
Business Funds			
Revenue	0	0	2,757,967
Operations & maintenance	115,308	0	1,053,787
Replacement reserve	107,612	0	10
Surplus	<u>75,461</u>	<u>0</u>	<u>91,700</u>
	<u>298,381</u>	<u>0</u>	<u>3,903,464</u>
Bond and Interest			
Debt service	149,094	0	2,090,849
Debt service reserve	<u>2,541,556</u>	<u>0</u>	<u>244,149</u>
	<u>2,690,650</u>	<u>0</u>	<u>2,334,998</u>
Total reporting entity	\$ <u><u>2,989,031</u></u>	\$ <u><u>0</u></u>	\$ <u><u>6,238,462</u></u>

The accompanying notes are an integral part of this statement.

Statement 1

<u>Expenditures</u>	<u>Ending Unencumbered Cash Balance</u>	<u>Add Encumbrances and Accounts Payable</u>	<u>Ending Cash Balance</u>
\$ 15,380,000	\$ 0	\$ 0	\$ 0
2,757,967	0	0	0
757,185	411,910	58,002	469,912
7,600	100,022	0	100,022
63,906	103,255	0	103,255
<u>3,586,658</u>	<u>615,187</u>	<u>58,002</u>	<u>673,189</u>
2,102,055	137,888	0	137,888
10,775	2,774,930	0	2,774,930
<u>2,112,830</u>	<u>2,912,818</u>	<u>0</u>	<u>2,912,818</u>
\$ <u>5,699,488</u>	\$ <u>3,528,005</u>	\$ <u>58,002</u>	\$ <u>3,586,007</u>

Cash balance consists of

Balance on deposit	
Checking account	\$ 313
Money market	469,599
Money market	85,128
Money market	103,255
Money market	100,022
Money market	52,760
Money market	233,374
Certificate of deposit	<u>2,541,556</u>
	\$ <u>3,586,007</u>

The accompanying notes are an integral part of this statement.

Marais Des Cygnes Public Utility Authority

NOTES TO FINANCIAL STATEMENT

December 31, 2015

NOTE A. MUNICIPAL REPORTING ENTITY

The Marais Des Cygnes Public Utility Authority is a municipal corporation governed by a Board of Directors appointed by the Cities of Paola and Louisburg. These financial statements present the funds of the Marais Des Cygnes Public Utility Authority as described below:

NOTE B. REGULATORY BASIS FUND TYPES

The accounts of the Municipality are organized and operated on the basis of funds. A fund is defined as an independent fiscal and accounting entity with self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The Municipality potential could have the following types of funds.

General Fund – the chief operating fund. Used to account for all resources except those required to be accounted for in another fund. No funds of this type for the year presented.

Special Purpose Funds – used to account for the proceeds of specific tax levies and other specific revenues sources (other than Capital Project and tax levies for long-term debt) that are intended for specific purposes.

Bond and Interest Fund – used to account for the accumulation of resources, including tax levies, transfers from others funds and used to make payments of general long-term debt.

Capital Project Fund – used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment. No funds of this type for the year presented.

Business Fund – funds financed in whole or part by fees charged to users of goods or services (i.e. enterprise and internal service funds etc.).

Trust Fund – funds used to report assets held in trust for the benefit of municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipality reporting entity scholarship funds, etc). No funds of this type for the year presented.

Agency Fund – funds used to report assets held by the municipal reporting entity in purely a custodial capacity (payroll clearing fund, Municipality tax collection account, etc.). No funds of this type for the year presented.

NOTE C. BASIS OF ACCOUNTING

Regulatory Basis of Accounting and departure from Accounting Principles Generally Accepted in the United States of America – The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligations against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt assignment to a fund, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than mentions above.

Municipality has approved a resolution that it is in compliance with K.S.A. 75-1120a (c) waiving the requirement for application of generally accepted accounting principles and allowing the municipality to use the regulatory basis of accounting.

Marais Des Cygnes Public Utility Authority

NOTES TO FINANCIAL STATEMENT **December 31, 2015**

NOTE D. BUDGETARY INFORMATION

A legal operation budget is not required of capital projects funds, fiduciary funds, permanent funds and the following special revenue funds:

Revenue, Operations & Maintenance, Replacement Reserve, Surplus, Debt Service, and Debt Service Reserve.

Spending in funds which are not subject to the legal annual operating budget requirements are controlled by federal regulations, other statutes, and bond issues or by the use of internal spending limits established by the governing board.

NOTE E. CASH AND INVESTMENTS

Deposits and Investments - K.S.A. 9-1401 establishes the depositories which may be used by the Authority. The statute requires banks eligible to hold the Authority's funds have a main or branch bank in the county in which the municipality is located or in an adjoining county if such an institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The Authority has no other policies that would further limit interest rate risk.

Concentration of credit risk - State statutes place no limit on the amount the Authority may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The Authority's has investments as of December 31, 2015.

Custodial credit risk - Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. State Statutes require the Authority's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or Federal home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The Authority did not have any designated "peak periods" for the current year. All deposits were legally secured as of December 31, 2015.

At December 31, 2015, the Authority's carrying amount of deposits was \$3,586,007 and the bank balance was \$3,586,187. The difference between the carrying amount and the bank balance (if any) is outstanding checks and outstanding deposits. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, \$313 was covered by federal depository insurance and \$3,585,874 was held intrust.

Investment Policy - K.S.A. 12-1675 authorizes the Authority to invest in time deposits, certificates of deposit, U.S. Treasury bills and notes, repurchase agreements and the State Municipal Investment Pool. All investments must be insured, registered, or held by the Authority or its agent in the Authority's name. Since the Authority's records are maintained on modified cash basis, Statement 1 reports the investment balance at cost and any gain (loss) on investments is recognized at point of sale. The Authority has no investment policy that would further limit its investment choices. As of December 31, 2015 there were no investments in these types of securities.

Custodial credit risk – investments – For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

Interest Rate Risk – Per Kansas statutes, maturities of investments shall not exceed two years. The Authority's investments are in compliance with this statute.

Marais Des Cygnes Public Utility Authority

NOTES TO FINANCIAL STATEMENT

December 31, 2015

NOTE F. LONG-TERM DEBT

The Municipality has the following long-term debt as of year end:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity		
GO Bonds Series 2007	4.00-4.50	11/15/07	\$ 33,000,000	12/01/38		
Refunding Series 2015	4.13%	12/1/15	15,380,000	12/1/43		
	Balance Beginning of Period	Additions	Reductions/ Payments	Net Change	Balance End of Period	Interest Expense
GO Bonds Series 2007 \$	32,340,000	\$ 0	\$ 13,420,000	\$ (13,420,000)	\$ 18,920,000	\$ 1,530,703
Refunding Series 2015	0	15,380,000	0	15,380,000	15,380,000	301,352
	<u>\$ 32,340,000</u>	<u>\$ 15,380,000</u>	<u>\$ 13,420,000</u>	<u>\$ 1,960,000</u>	<u>\$ 34,300,000</u>	<u>\$ 1,832,055</u>

Current maturities of long-term debt & interest for the next five years & in five year increments through maturity are as follows:

	Year				
Principal:	2016	2017	2018	2019	2020
Series 2007	\$ 180,000	\$ 225,000	\$ 240,000	\$ 290,000	\$ 330,000
Series 2015	0	0	0	0	0
Principal total	<u>180,000</u>	<u>225,000</u>	<u>240,000</u>	<u>290,000</u>	<u>330,000</u>
Interest:					
Series 2007	854,575	847,375	838,375	828,775	817,175
Series 2015	634,425	634,425	634,425	634,425	634,425
Interest total	<u>1,489,000</u>	<u>1,481,800</u>	<u>1,472,800</u>	<u>1,463,200</u>	<u>1,451,600</u>
Total Principal & Interest	<u>\$ 1,669,000</u>	<u>\$ 1,706,800</u>	<u>\$ 1,712,800</u>	<u>\$ 1,753,200</u>	<u>\$ 1,781,600</u>
	Year				
Principal:	2021-25	2026-30	2031-35	2036-40	2041-2045
Series 2007	\$ 2,460,000	\$ 4,150,000	\$ 6,160,000	\$ 4,885,000	\$ 0
Series 2015	0	0	100,000	5,230,000	10,050,000
Principal total	<u>2,460,000</u>	<u>4,150,000</u>	<u>6,260,000</u>	<u>10,115,000</u>	<u>10,050,000</u>
Interest:					
Series 2007	3,837,399	3,140,855	2,024,425	461,573	0
Series 2015	3,172,125	3,172,125	3,172,125	2,964,018	951,844
Interest total	<u>7,009,524</u>	<u>6,312,980</u>	<u>5,196,550</u>	<u>3,425,591</u>	<u>951,844</u>
Total Principal & Interest	<u>\$ 9,469,524</u>	<u>\$ 10,462,980</u>	<u>\$ 11,456,550</u>	<u>\$ 13,540,591</u>	<u>\$ 11,001,844</u>
Principal:	Total				
Series 2007	\$ 18,920,000				
Series 2015	15,380,000				
Principal total	<u>34,300,000</u>				
Interest:					
Series 2007	13,650,527				
Series 2015	16,604,362				
Interest total	<u>30,254,889</u>				
Total Principal & Interest	<u>\$ 64,554,889</u>				

Marais Des Cygnes Public Utility Authority

NOTES TO FINANCIAL STATEMENT

December 31, 2015

NOTE G. INTERFUND TRANSFERS

Operating transfers were as follows:

From:	To:	Statutory Authority	Amount
Revenue Fund	Operations & Maintenance	12-825d	950,868
Replacement Reserve	Operations & Maintenance	12-825d	7,600
Surplus Fund	Operations & Maintenance	12-825d	63,906
Revenue Fund	Surplus Fund	12-825d	91,692
Revenue Fund	Debt Service	12-825d	1,715,407
Debt Service	Operations & Maintenance	12-825d	31,348
Debt Service	Debt Service	12-825d	364,618
Debt Service Reserve	Debt Service	12-825d	10,775
Bond Proceeds	Debt Service Reserve	12-825d	233,363
			<u>\$ 3,469,577</u>

NOTE H. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Operations of the Public Utility Authority – The Municipality operates as a joint venture with the Cities of Paola and Louisburg as members. The Cities provide personnel and benefit costs associated with the personnel to operate the plant. The Public Utility Authority then reimburses the Cities for these costs. The Cities' record these costs within their financial statements for the actual wages, payroll taxes, benefits (including health insurance and pension plans) for which the Public Utility Authority is reimbursing them. Since the Cities have already disclosed these costs and benefits within their financial statements we will not make disclosure within these financial statements regarding personnel costs and benefit costs.

Risk Management – The Municipality is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Municipality carries commercial insurance. Settlement of claims has not exceeded coverage during the past three years.

NOTE I. OTHER INFORMATION

Reimbursed Expenses – The Municipality records reimbursable expenditures in the fund that makes the disbursement and records reimbursement as revenue in the same fund. For purposes of budgetary comparisons, the reimbursements are shown as adjustments for qualifying budget credits.

Compliance with Kansas Statutes – References made herein to the statutes are not intended as interpretation of law, but are offered for consideration by the Director of Accounts and Reports and interpretation by the County Attorney and legal representatives of the Municipality.

Management is not aware of any violations of Kansas Statutes

NOTE J. SUBSEQUENT EVENTS

The Municipality evaluated subsequent event through June 8, 2016, the date the financial statements were available to be issued.

**REGULATORY BASIS
SUPPLEMENTARY INFORMATION**

Marais Des Cygnes Public Utility Authority

Schedule 1

**SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the year ended December 31, 2015**

<u>Fund</u>	<u>Certified Budget</u>	<u>Adjustments for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance Favorable (Unfavorable)</u>
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There are no funds which require a published budget.

See Independent Auditor's Report.

Marais Des Cygnes Public Utility Authority**Schedule 2****SPECIAL PURPOSE FUNDS
BOND PROCEEDS
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS**

For the year ended December 31, 2015

(With Comparative Actual Totals for the Prior Year Ended December 31, 2014)

	<u>2014 Actual</u>	<u>2015 Actual</u>
Cash receipts		
Use of money and property		
Bond proceeds	\$ 0	\$ 15,380,000
Total cash receipts	<u>0</u>	<u>15,380,000</u>
Expenditures		
Original issue discount	<u>0</u>	<u>390,498</u>
Cost of issuance		
Bond issue counsel	0	40,500
Rating fee	0	17,000
Escrow trustee fee	0	4,500
Paying agent acceptance fee	0	3,000
Escrow verification fee	0	3,500
OS printing fee	0	1,500
Transcript approval fee	0	500
Miscellaneous	<u>0</u>	<u>811</u>
	<u>0</u>	<u>71,311</u>
Underwriter's discount	<u>0</u>	<u>192,250</u>
Assured Guaranty	<u>0</u>	<u>161,429</u>
Accrued interest purchased	<u>0</u>	<u>2,630</u>
Transfer to reserve	<u>0</u>	<u>233,363</u>
Placed in escrow	<u>0</u>	<u>14,328,519</u>
Total expenditures	<u>0</u>	<u>15,380,000</u>
Receipts over (under) expenditures	0	0
Unencumbered cash, January 1	<u>0</u>	<u>0</u>
Unencumbered cash, December 31	<u>\$ 0</u>	<u>\$ 0</u>

See Independent Auditor's Report.

Marais Des Cygnes Public Utility Authority**Schedule 2****BUSINESS FUNDS
REVENUE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS****For the year ended December 31, 2015****(With Comparative Actual Totals for the Prior Year Ended December 31, 2014)**

	<u>2014 Actual</u>	<u>2015 Actual</u>
Cash receipts		
Local sources		
Water sales	\$ 2,526,389	\$ 2,757,967
Transfers in	<u>0</u>	<u>0</u>
Total cash receipts	2,526,389	2,757,967
Expenditures		
Transfer Out	<u>2,526,389</u>	<u>2,757,967</u>
Receipts over (under) expenditures	0	0
Unencumbered cash, January 1	<u>0</u>	<u>0</u>
Unencumbered cash, December 31	<u>\$ 0</u>	<u>\$ 0</u>

See Independent Auditor's Report.

Marais Des Cygnes Public Utility Authority

Schedule 2

BUSINESS FUNDS
OPERATIONS & MAINTENANCE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS

For the year ended December 31, 2015

(With Comparative Actual Totals for the Prior Year Ended December 31, 2014)

	<u>2014</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Cash receipts		
Use of money and property		
Interest on investments	\$ 70	\$ 65
Transfers In	<u>809,921</u>	<u>1,053,722</u>
Total cash receipts	<u>809,991</u>	<u>1,053,787</u>
Expenditures		
Chemicals	271,897	243,853
Equipment	9,748	119
Insurance	26,631	25,139
Lab supplies	(65)	0
Legal services	1,944	975
Maintenance contracts	2,766	2,863
Miscellaneous expense	748	162
Office supplies	0	0
Permits	470	320
Professional fees	5,376	3,668
Reimbursed expense	29,431	879
Salaries and administration	206,377	208,802
Repairs and maintenance	71,603	61,743
Road dust control	2,328	0
Telephone	3,444	3,469
Testing and analytical	2,197	3,077
Utilities - diesel fuel	9,215	5,710
Utilities - electricity	176,017	154,933
Utilities - propane	31,386	13,777
Utilities - trash	630	504
Custodian fee	7,200	8,600
Water rights/assurance	<u>24,297</u>	<u>18,592</u>
Total expenditures	<u>883,640</u>	<u>757,185</u>
Receipts over (under) expenditures	(73,649)	296,602
Unencumbered cash, January 1	<u>188,957</u>	<u>115,308</u>
Unencumbered cash, December 31	\$ <u><u>115,308</u></u>	\$ <u><u>411,910</u></u>

See Independent Auditor's Report.

Marais Des Cygnes Public Utility Authority**Schedule 2****BUSINESS FUNDS
REPLACEMENT RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS****For the year ended December 31, 2015****(With Comparative Actual Totals for the Prior Year Ended December 31, 2014)**

	<u>2014 Actual</u>	<u>2015 Actual</u>
Cash receipts		
Use of money and property		
Interest on investments	\$ 11	\$ 10
Expenditures		
Transfer Out	<u>0</u>	<u>7,600</u>
Receipts over (under) expenditures	11	(7,590)
Unencumbered cash, January 1	<u>107,601</u>	<u>107,612</u>
Unencumbered cash, December 31	<u>\$ 107,612</u>	<u>\$ 100,022</u>

See Independent Auditor's Report.

Marais Des Cygnes Public Utility Authority**Schedule 2****BUSINESS FUNDS****SURPLUS FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL****REGULATORY BASIS**

For the year ended December 31, 2015

(With Comparative Actual Totals for the Prior Year Ended December 31, 2014)

	2014 <u>Actual</u>	2015 <u>Actual</u>
Cash receipts		
Use of money and property		
Interest on investments	\$ 7	\$ 8
Transfers In	<u>69,058</u>	<u>91,692</u>
Total cash receipts	69,065	91,700
Expenditures		
Transfers out	<u>78,115</u>	<u>63,906</u>
Receipts over (under) expenditures	(9,050)	27,794
Unencumbered cash, January 1	<u>84,511</u>	<u>75,461</u>
Unencumbered cash, December 31	<u>\$ 75,461</u>	<u>\$ 103,255</u>

See Independent Auditor's Report.

Marais Des Cygnes Public Utility Authority**Schedule 2****BOND AND INTEREST FUND
DEBT SERVICE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS****For the year ended December 31, 2015****(With Comparative Actual Totals for the Prior Year Ended December 31, 2014)**

	<u>2014 Actual</u>	<u>2015 Actual</u>
Cash receipts		
Use of money and property		
Interest on investments	\$ 45	\$ 49
Transfers In	<u>1,735,225</u>	<u>2,090,800</u>
Total cash receipts	<u>1,735,270</u>	<u>2,090,849</u>
Expenditures		
Principal payment	270,000	345,000
Interest	<u>1,465,613</u>	<u>1,757,055</u>
Total expenditures	<u>1,735,613</u>	<u>2,102,055</u>
Receipts over (under) expenditures	(343)	(11,206)
Unencumbered cash, January 1	<u>149,437</u>	<u>149,094</u>
Unencumbered cash, December 31	<u>\$ 149,094</u>	<u>\$ 137,888</u>

See Independent Auditor's Report.

Marais Des Cygnes Public Utility Authority**Schedule 2****BOND AND INTEREST FUND
DEBT SERVICE RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS**

For the year ended December 31, 2015

(With Comparative Actual Totals for the Prior Year Ended December 31, 2014)

	<u>2014 Actual</u>	<u>2015 Actual</u>
Cash receipts		
Use of money and property		
Interest on investments	\$ 9,696	\$ 10,786
Transfer in	<u>0</u>	<u>233,363</u>
Total cash receipts	9,696	244,149
Expenditures		
Transfers out	<u>9,696</u>	<u>10,775</u>
Receipts over (under) expenditures	0	233,374
Unencumbered cash, January 1	<u>2,541,556</u>	<u>2,541,556</u>
Unencumbered cash, December 31	\$ <u>2,541,556</u>	\$ <u>2,774,930</u>

See Independent Auditor's Report.